

**AMENDMENT TO H.R. 5656**  
**OFFERED BY MR. COSTELLO OF ILLINOIS**

Page 2, line 20, through page 5, line 3, amend section 3 to read as follows:

1 **SEC. 3. FUTUREGEN.**

2 (a) IN GENERAL.—The Secretary shall carry out a  
3 project to determine the feasibility of the commercial ap-  
4 plication of advanced clean coal energy technology, includ-  
5 ing carbon capture and geological sequestration, for elec-  
6 tricity generation.

7 (b) INDUSTRY INVOLVEMENT.—The Secretary may  
8 conduct the project through a financial assistance coopera-  
9 tive agreement with a consortium of coal-fueled power pro-  
10 ducers, coal companies, and others.

11 (c) REQUIREMENTS.—The Secretary shall ensure  
12 that—

13 (1) the project is operating by 2012;

14 (2) the project is designed—

15 (A) to achieve 99 percent sulfur dioxide re-  
16 moval or, with coals of 3 lbs/MMBtu sulfur or  
17 less, achieve an emission limit of 0.03 lb/  
18 MMBtu;



1 (B) to emit no more than 0.05 pounds of  
2 nitrogen oxide emissions per million British  
3 thermal units of energy;

4 (C) to achieve at least a 90 percent reduc-  
5 tion in mercury emissions;

6 (D) to emit no more than 0.005 pounds of  
7 total particulate emissions in the flue gas per  
8 million British thermal units of energy;

9 (E) to achieve at least a 90 percent reduc-  
10 tion in carbon dioxide emissions; and

11 (F) using a technology that can be applied  
12 to a diversity of United States coal types; and

13 (3) the project demonstrates the feasibility of  
14 electricity generation from coal using advanced clean  
15 coal technology with carbon capture and geological  
16 sequestration with commercial potential for future  
17 plants that will achieve a generation cost of not  
18 greater than 10 percent higher than the average of  
19 all commercial integrated coal gasification and com-  
20 bined cycle electric generating plants operating in  
21 the United States as of the date of enactment of this  
22 Act.

23 (d) USE OF ADVANCED CLEAN COAL TECH-  
24 NOLOGY.—To effectively manage technical risk and focus  
25 research efforts on system integration, the Secretary shall,



1 to the extent practicable, ensure that the project appro-  
2 priately balance the use of available advanced clean coal  
3 technology, such as coal handling and gasification tech-  
4 nology, and first-of-a-kind technology;

5 (e) CONTRIBUTIONS.—The Secretary may, for the  
6 purposes of section 988 of the Energy Policy Act of 2005,  
7 define the project as “Research and Development”, and  
8 may accept contributions from private and public sources,  
9 including foreign nations and international contributors,  
10 and use such contributions to offset a portion of the Fed-  
11 eral share of the project costs.

12 (f) DATA PROTECTION.—The Secretary may agree to  
13 protect FutureGen information to the same extent author-  
14 ized for the Clean Coal Power Initiative pursuant to sec-  
15 tion 402(h) of the Energy Policy Act of 2005.

16 (g) INDEMNIFICATION.—Recognizing that  
17 FutureGen is a first-of-a-kind research project to perma-  
18 nently sequester underground the emissions of a power  
19 plant and that the Secretary may enter into a partnership  
20 with an industry consortium to cost-share and manage the  
21 project, the Secretary may, on terms and conditions ac-  
22 ceptable to the Secretary—

23 (1) indemnify the consortium and its member  
24 companies for liability associated with the first-of-a-  
25 kind sequestration component of the project with



1 such indemnity extending to any legal liability arising out of, or resulting from, the storage, or unintentional release, of sequestered emissions;

2 (2) the indemnity shall not extend to liability resulting from gross negligence or intentional misconduct of officers of the consortium;

3 (3) the indemnity shall be secondary to applicable insurances and other security established by Department and the consortium;

4 (4) the United States Government's aggregate liability for a single incident shall not exceed \$500,000,000 including the reasonable costs of investigating and settling claims and defending suits for damage; and

5 (5) prior to incorporating indemnification provisions into any agreement with the industry consortium, the Secretary shall report to the Congress the terms of the indemnification clauses and an assessment of whether or not such clauses are in the best interest of the Government and the public.

6 (h) REAL AND PERSONAL PROPERTY.—The Secretary may vest fee title or other property interests acquired under the project in any entity, including the United States.



1 (i) TERMINATION.—The Secretary may agree to take  
2 title to the project's property, without compensation to the  
3 consortium, if the project is terminated due to an insuffi-  
4 ciency of consortium funds to complete the project; and  
5 the Secretary may agree to reimburse the consortium for  
6 the consortium's share of the project costs, if the project  
7 is terminated due to an insufficiency of appropriated funds  
8 to complete the project.

9 (j) AUTHORIZATION OF APPROPRIATIONS.—There  
10 are authorized to be appropriated to the Secretary to carry  
11 out this section \$442,000,000 for the period encompassing  
12 fiscal years 2007 through 2012.

